

IN THE COURT OF APPEALS OF TENNESSEE
AT KNOXVILLE
April 6, 2005 Session

MBNA AMERICA v. THE ESTATE OF LAVADA JONES

Direct Appeal from the Chancery Court for Hamilton County
No. 03-P-576 Hon. Howell N. Peoples, Chancellor

Filed July 11, 2005

No. E2004-01614-COA-R3-CV

In this estate administration, the Trial Court allowed plaintiff's claim. On appeal, we affirm.

Tenn. R. App. P.3 Appeal as of Right; Judgment of the Chancery Court Affirmed.

HERSCHEL PICKENS FRANKS, P.J., delivered the opinion of the court, in which D. MICHAEL SWINEY, J., and SHARON G. LEE, J., joined.

Walter E. Grantham, II, Chattanooga, Tennessee, for appellant.

L. Blair Bennington, Chattanooga, Tennessee, for appellee.

OPINION

In this estate, plaintiff filed a claim setting forth "unpaid balance of \$18,369.52," with an affidavit that the amount was due and owing. The estate filed exceptions to this claim on the grounds that the claimant did not file documentation required by the statute, and denied that decedent was indebted to the claimant in the amount.

The Chancellor referred the matter to the Master for a factual determination. Prior to the hearing before the Master, plaintiff filed an amended claim which comprised an affidavit by claimant's attorney that the amount was due and owing and attached copies of transactions of the running account each month from September 18, 2002 until August 20, 2003. The final transaction reflected the amount due and owing at that time.

In the hearing before the Master, no evidence was offered by either party, other than the sworn account, and the Master reported to the Court that “the MBNA America claim should be allowed”.

The Administrator duly excepted to the Master’s report, and the matter was heard before the Chancellor who filed a Memorandum Opinion and order. The Chancellor, in discussing the Administrator’s objection said:

The administrator’s first objection relates to MBNA’s failure to produce a contract proving the decedent’s liability to MBNA. The Master noted, however, that the billing statements listed the decedent’s correct home address and showed that the decedent (or someone on the decedent’s behalf) had been making payments to MBNA prior to her death. As a result of the actions of both MBNA and the decedent, it is logical to conclude that, at the very least, an implied contract existed between the two. In this case, where the decedent’s actions while living evidenced her contractual liability on this account to MBNA, the estate will be estopped to deny the decedent’s contractual liability. See Howell v. Tomlinson, 228 S.W.2d 112, 117 (Tenn. Ct. App. 1949). . . .

The administrator also objects to the form and sufficiency of MBNA’s billing statements. Specifically, the administrator argues that the billing statements do not constitute an “itemized statement of account” under Tenn. Code Ann. § 30-2-307(b) and that such billing statements do not reflect any purchases by the decedent. These objections were considered by the Master and correctly overruled. The purpose of the Claims Act, Tenn. Code Ann. § 30-2-307 *et seq.*, is “to afford a very simple and expeditious remedy for the administration of estates, and in doing so the Act is liberally construed.” Needham v. Moore, 292 S.W.2d 720, 722 (Tenn. 1956). Monthly billing statements suffice as an “itemized statement of account,” and clearly such statements, on their face, evidence charges by the decedent to the account. . . .

The Trial Court concluded:

. . . As far as the administrator’s objection that no witness appeared at the Master’s hearing to substantiate the claim, the court finds no requirement anywhere under Tennessee law for such. Furthermore, the verified claim and supporting billing statements speak for themselves. . . .

On appeal, the Estate argues that the claim does not meet the requirements of Tenn. Code Ann. § 30-2-307(b); that claimant is not a proper party; whether the claimant was required to present testimony; and whether the verification of a claim met the statutory requirements?

The focus of the Estate’s argument in its brief is that the failure of the claimant to offer evidence before the Master is fatal to the claim.

The claimant was required to meet the statutory requirements for presenting a claim which is set forth in Tenn. Code Ann. § 30-2-307 - Claims Against Estate - Filing. In this case the claimant was required to comply with Tenn. Code Ann. § 30-2-307(b):

When any claim . . . when due by open account, an itemized statement of the account shall be filed; and every claim shall be verified by affidavit of the creditor before an officer authorized to administer oaths, which affidavit shall state that the claim is correct, just and valid obligation of the estate of the decedent, that neither the claimant nor any other person on the claimant's behalf has received payment thereof, in whole or in part, except such as is credited thereon, and that no security therefor has been received, except as thereon stated.

We agree with the Chancellor that the claim as ultimately filed complied with the statutory requirements for making a claim against the Estate.

The Estate argues that the estate proceeding is analogous to a suit brought on a sworn account in Sessions or Circuit Court and that the claimant was obligated to present evidence at the hearing before the Master to substantiate its claim. *Steve Frost Agency v. Spurlock*, 859 S.W.2d 337 (Tenn. Ct. App. 1993), held that where a suit is brought on a sworn account and a sworn denial is filed, then the burden is upon the plaintiff to support a suit with evidence at trial, citing other authorities. This rule does not apply to this claim, because the Estate did not file a sworn denial that the debt was due in its exceptions to the claim. As this Court pointed out in *The Estate of Cunningham*, 2002 WL 1800973 (Tenn. Ct. App. at *2) "Tenn. Code Ann. § 30-2-307(b) requires claimants against the decedents' estates to file verified proof of their claims at the time of filing such claims." In this case the claimant filed "such proof" and without a sworn denial or any proof to the contrary offered by the Estate, the claimant was not required to present further proof to substantiate its claim.

We concur in the opinion of the Trial Court, affirm its Judgment and remand, with the cost of the appeal assessed to the Estate.

HERSCHEL PICKENS FRANKS, P.J.